



Consumer Confidence Survey™

A Monthly Report from the Consumer Research Center

August Results

Confidence Continues To Decline

The measure of Consumer Confidence, which registered a sharp loss in July, gave slightly more ground in August. The latest reading of the Confidence Index (1985=100) is 58.0, a loss of about three points for the month. Confidence is now lower than it has been since March. In the August survey, consumers are more negative than in the preceding month, both in their assessment of prevailing economic conditions and in their expectations for the immediate period ahead. Buying plans are mixed.

The Consumer Confidence Survey program is based on a representative sample of 5,000 U.S. households. The survey is conducted for The Conference Board by National Family Opinion, Inc. (NFO) of Greenwich, Connecticut.

In August, 10 percent of all survey participants believe that present business conditions are "good," but well over four times as many, about 44 percent, say they are "bad." Both these figures are somewhat more negative than in the preceding month. On the present employment situation, the figures are even less reassuring. Only 5.5 percent of all respondents report that jobs are "plentiful," but more than eight times as many, 47 percent, report they are "hard to get." Again, these figures are weaker than those of a month earlier.

Consumers are also less secure in their expectations for the months ahead. Now, 18.4 percent expect that business conditions will improve, 13.9 percent fear they will worsen. Again, these numbers are less positive than last month. People also express considerable concern about job prospects. Close to 25 percent fear there will be fewer jobs in the months to come, only 14 percent believe there will be more jobs. Again, both these figures are weaker than previously.

The general level of consumer uneasiness is further indicated in their apprehension concerning their family's income. One out of eight respondents are worried that their earnings will decline in the months ahead. This is the largest proportion since February.

Although the loss in consumer confidence in August was relatively moderate, the continued sag in the consumer's spirits is disconcerting. Since June, the measure of confidence has fallen by some 20 percent. The current low reading is historically associated with a lackluster economy. The promise of a business recovery, which was suggested by the improved confidence readings recorded in the Spring, has all but withered away. There now appears to be scant likelihood of any significant quickening in the pace of economic growth in the immediate months ahead.

The Board's Consumer Confidence Index is classified as a leading economic indicator by the U.S. Department of Commerce. The history of this series as a business-cycle indicator is carried in that agency's monthly publication, Survey of Current Business.

Fabian Linden

Confidence and Buying Plans

Based on surveys conducted by NFO Research, Inc.

Percentage of all households - 100%

	Business							Employment			Income		
	1991							1992					
All series seasonally adjusted	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Jul(r)	Aug(p)
Composite Series: Index Numbers, 1985=100													
Consumer Confidence Index	76.1	72.9	60.1	52.7	52.5	50.2	47.3	56.5	65.1	71.9	72.6	61.2	58.0
Present Situation	45.1	39.1	31.0	27.1	22.5	22.6	23.0	26.2	28.0	34.4	37.7	32.7	29.8
Expectations	96.8	95.4	79.5	69.7	72.6	68.7	63.5	76.7	89.7	96.9	95.9	80.1	76.9
Appraisal of Present Situation: Percent													
Business Conditions													
Good	12.1	11.2	9.3	9.6	7.2	6.7	7.9	9.0	9.2	10.0	11.3	10.5	10.0
Bad	37.4	39.7	40.7	48.4	46.8	50.2	48.6	46.9	44.9	39.4	37.3	42.5	43.9
Normal	50.5	49.1	50.0	42.0	46.0	43.1	43.5	44.1	45.9	50.6	51.4	47.0	46.1
Employment													
Jobs plentiful	8.6	7.2	5.5	5.1	4.3	4.9	4.4	4.8	5.0	5.9	6.3	5.8	5.5
Jobs not so plentiful	52.8	52.8	51.0	47.8	47.9	48.1	46.7	48.3	49.8	53.8	53.1	51.2	47.4
Jobs hard to get	38.6	40.0	43.5	47.1	47.8	47.0	48.9	46.9	45.2	40.3	40.6	43.0	47.1
Expectations for Six Months Hence: Percent													
Business Conditions													
Better	25.3	23.0	18.9	17.0	19.1	18.4	16.8	21.4	24.1	26.4	23.9	19.2	18.4
Worse	10.2	10.8	14.0	19.3	19.0	20.3	21.4	16.4	11.0	9.8	9.6	13.0	13.9
Same	64.5	66.2	67.1	63.7	61.9	61.3	61.8	62.2	64.9	63.8	66.5	67.8	67.7
Employment													
More jobs	18.8	17.7	14.8	12.6	13.9	13.1	12.7	15.3	18.3	20.0	19.2	13.6	13.7
Fewer jobs	18.5	20.1	26.0	28.1	28.3	30.0	32.9	27.2	21.0	18.5	18.8	22.2	24.5
Same	62.7	62.2	59.2	59.3	57.8	56.9	54.4	57.5	60.7	61.5	62.0	64.2	61.8
Income													
Increase	20.6	23.6	21.3	19.3	21.5	18.3	18.4	18.1	18.4	17.6	20.4	18.8	18.7
Decrease	9.9	8.6	11.6	11.8	13.4	12.4	14.7	12.4	12.3	10.2	10.8	12.0	12.6
Same	69.5	67.8	67.1	68.9	65.1	69.3	66.9	69.5	69.3	72.2	68.8	69.2	68.7
Plans to Buy Within Six Months: Percent													
Automobile													
Yes	6.5	7.4	7.5	6.6	5.9	7.0	7.0	5.9	6.5	7.5	6.7	7.7	6.9
New	3.5	3.4	3.2	2.6	3.0	2.6	3.6	2.7	3.4	3.5	3.1	3.5	3.4
Used	2.7	3.0	3.3	3.0	2.2	3.5	2.7	2.4	2.4	2.8	2.8	3.3	2.8
Uncertain	0.3	1.0	1.0	1.0	0.7	0.9	0.7	0.8	0.7	1.2	0.8	0.9	0.7
Home													
Yes	2.9	3.4	3.3	2.9	3.1	3.5	4.2	3.3	3.5	3.2	3.6	2.8	3.3
New	0.7	0.8	0.6	0.8	0.7	0.8	1.0	1.0	1.1	1.0	0.9	0.6	1.1
Lived in	1.4	1.7	1.9	1.5	1.6	1.9	2.2	1.5	1.6	1.4	1.8	1.3	1.4
Uncertain	0.8	0.9	0.8	0.6	0.8	0.8	1.0	0.8	0.8	0.8	0.9	0.9	0.8
Major appliances													
Total plans	29.5	31.6	28.0	29.4	28.6	27.4	29.9	30.4	31.2	28.6	27.6	19.0	28.9
Refrigerator	4.6	5.9	4.2	4.4	4.2	4.3	4.9	5.2	4.9	4.5	4.5	2.7	4.8
Washing machine	3.7	3.4	4.3	3.7	4.0	3.8	4.1	4.0	3.6	3.6	3.9	2.4	3.6
TV Set	7.7	7.5	6.9	7.0	7.2	6.5	6.6	7.2	6.7	6.5	6.3	4.2	7.0
Vacuum Cleaner	5.3	6.0	4.7	5.9	5.2	5.2	5.3	5.3	6.3	6.0	5.2	3.8	5.8
Range	2.4	2.8	3.1	2.7	2.7	2.4	2.7	3.1	3.5	3.0	2.8	2.5	3.1
Clothes dryer	3.4	3.1	3.2	3.0	3.6	2.9	3.9	3.7	4.1	3.3	3.4	2.2	2.9
Air conditioner	2.4	2.9	1.6	2.7	1.7	2.3	2.4	1.9	2.1	1.7	1.5	1.2	1.7
Carpet	5.6	6.7	5.2	5.6	5.1	6.7	5.7	6.0	5.5	5.8	6.6	4.9	6.0
Vacation Intended Within Six Months: Percent													
Vacation Intended	46.6		49.1		48.2		45.2		45.6		47.0		49.9
Destination													
U.S.	40.6		42.7		42.8		38.9		40.0		41.7		43.8
Foreign country	7.8		7.8		6.8		8.1		6.7		7.0		7.6
Means of Travel													
Automobile	28.2		30.8		28.1		26.6		27.4		28.1		29.6
Airplane	17.2		17.0		17.1		18.2		17.1		20.3		18.9
Other	4.4		3.6		4.4		3.4		4.2		3.2		4.3

(p)—preliminary (r)—revised

The Conference Board, 845 Third Avenue, New York, New York 10022

The Conference Board Europe, Avenue Louise, 207-Bte 5, B-1050 Brussels, Belgium

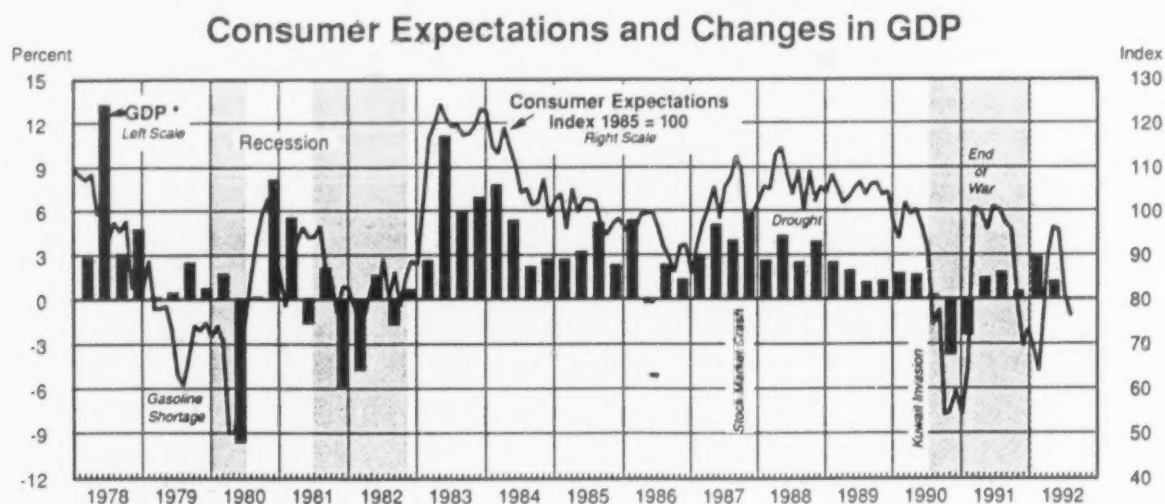
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Not Seasonally Adjusted	1991								1992				
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Jul(r)	Aug(p)
Expectations for Twelve Months Hence: Percent													
Inflation Rate													
Average	4.7	4.6	4.7	4.7	4.8	4.7	4.7	4.5	4.5	4.6	4.6	4.5	4.4
Interest Rates													
Higher	46.9	41.8	37.0	34.0	33.2	30.4	39.6	49.0	53.5	51.1	49.9	36.7	39.0
Same	27.5	30.2	27.3	25.2	27.7	30.5	27.1	27.4	26.2	28.7	28.7	31.3	31.9
Lower	25.6	28.0	35.7	40.8	39.1	39.1	33.3	23.6	20.3	20.2	21.4	32.0	29.1
Stock Prices													
Increase	39.3	39.5	35.8	33.9	29.9	41.9	39.7	40.5	39.6	41.0	41.2	35.2	32.5
Same	36.1	37.0	37.5	35.9	34.1	33.8	32.7	34.4	34.7	36.8	36.5	37.1	38.4
Decrease	24.6	23.5	26.7	30.2	36.0	24.3	27.6	25.1	25.7	22.2	22.3	27.7	29.1

All series seasonally adjusted	1991					1992								3 mos. Percent Change*
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Jul(r)	Aug(p)	
Consumer Confidence Index, 1985 = 100														
AGE OF HOUSEHOLD HEAD														
Under 35	92.4	86.7	74.0	65.0	64.1	62.8	57.7	67.4	74.8	82.7	89.7	74.7	71.6	5.0
35-54	77.1	70.2	58.8	52.4	53.6	48.3	47.4	55.2	64.8	68.6	70.5	63.3	55.2	0.2
55 and over	61.7	61.6	48.4	42.7	42.6	41.1	37.4	48.1	56.4	66.1	59.4	48.9	51.0	-6.6
HOUSEHOLD INCOME														
Under \$15,000	51.7	53.1	45.1	33.0	37.8	33.1	33.0	41.7	46.5	51.5	53.4	35.9	41.1	-6.7
\$15,000-24,999	78.4	69.3	56.2	51.4	48.4	44.1	39.9	50.8	57.3	68.8	62.7	51.0	55.8	-4.2
\$25,000-34,999	80.4	73.5	57.0	53.3	52.1	50.2	48.7	60.0	62.3	75.1	76.4	67.2	59.6	2.9
\$35,000-49,999	81.4	78.4	69.5	58.2	55.1	54.9	50.2	59.4	73.0	81.2	82.1	65.3	64.6	-0.7
\$50,000 and over	89.0	84.4	70.0	65.1	64.4	63.3	60.3	66.3	78.7	81.3	83.0	78.3	66.0	0.4

*Percent Change: Average of last three months shown as compared with preceding three months. Age and income data have been adjusted for seasonal variations.



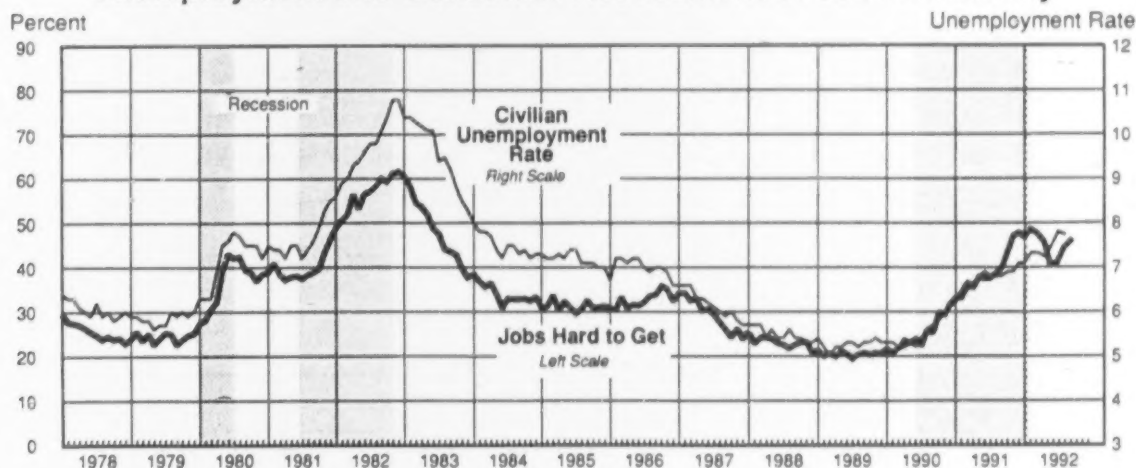
* Quarterly changes in real Gross Domestic Product at annual rates.
U.S. Department of Commerce; NFO Research Inc.; The Conference Board

CONSUMER CONFIDENCE BY REGION

Seasonally unadjusted Index numbers: U.S. Average, 1985 = 100	1991												1992			AVERAGE: June, July, Aug.		
													Percent					
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Jul(r)	Aug(p)	1991	1992	Change		
NEW ENGLAND																		
Consumer Confidence Index	57.6	51.2	37.2	33.4	30.5	27.6	32.0	44.9	49.1	60.7	58.7	44.6	58.4	52.3	53.9	3.2		
Present Situation	7.5	4.6	2.0	3.3	3.8	1.4	3.7	3.9	1.5	2.5	10.0	3.3	3.3	5.5	5.5	0.0		
Expectations	91.1	82.3	60.7	53.5	48.3	45.0	50.9	72.3	80.8	99.5	91.2	72.2	95.2	83.4	86.2	3.4		
MIDDLE ATLANTIC																		
Consumer Confidence Index	61.7	61.7	47.1	37.0	39.4	44.9	42.2	45.3	56.5	62.5	58.6	43.8	39.2	62.4	47.2	-24.4		
Present Situation	24.7	21.6	19.8	15.8	10.8	12.3	9.6	8.7	12.2	16.9	23.3	13.2	9.8	25.0	15.4	-38.4		
Expectations	86.3	88.5	65.3	51.2	58.4	66.7	64.0	69.7	86.1	92.8	82.2	64.2	58.9	87.4	68.4	-21.7		
EAST NORTH CENTRAL																		
Consumer Confidence Index	72.6	72.5	67.7	54.4	55.3	52.4	50.0	57.0	65.7	68.7	77.4	66.8	57.3	77.9	67.1	-13.9		
Present Situation	49.9	44.6	39.8	32.3	25.8	24.4	22.4	29.2	30.3	33.6	53.1	44.3	33.6	52.0	43.6	-16.0		
Expectations	87.7	91.2	86.4	69.2	75.0	71.1	68.4	75.6	89.3	92.1	93.5	81.8	73.1	95.3	82.8	-13.1		
WEST NORTH CENTRAL																		
Consumer Confidence Index	70.4	74.5	68.2	52.3	51.9	61.8	53.9	65.9	64.6	76.7	72.0	51.6	46.2	72.8	56.6	-22.3		
Present Situation	52.6	57.9	47.8	42.8	36.3	37.3	34.2	45.8	32.5	57.3	63.2	44.4	44.6	50.4	50.7	0.7		
Expectations	82.3	85.6	81.8	58.7	62.3	78.1	67.1	79.3	86.0	89.6	77.8	56.4	47.2	87.7	60.5	-31.1		
SOUTH ATLANTIC																		
Consumer Confidence Index	84.0	84.6	68.4	60.3	53.6	55.9	55.5	61.6	74.2	76.5	80.8	70.4	69.5	85.4	73.6	-13.8		
Present Situation	50.7	53.9	34.6	29.8	22.5	21.4	21.8	27.0	33.5	39.6	40.5	43.7	41.1	49.7	41.7	-16.0		
Expectations	106.2	105.0	91.0	80.6	74.4	79.0	78.0	84.7	101.3	101.1	107.7	88.2	88.4	109.2	94.8	-13.2		
EAST SOUTH CENTRAL																		
Consumer Confidence Index	72.9	67.7	60.7	60.8	61.0	52.4	49.4	71.7	73.4	83.2	70.5	74.7	71.8	75.2	72.4	-3.8		
Present Situation	50.8	32.0	40.3	40.6	42.5	27.6	25.1	45.3	44.0	49.9	45.3	50.0	51.5	46.0	48.9	6.3		
Expectations	87.6	91.6	74.3	74.3	73.3	68.9	65.7	89.2	93.0	105.3	87.4	91.2	85.4	94.6	88.0	-7.0		
WEST SOUTH CENTRAL																		
Consumer Confidence Index	65.4	73.7	60.8	60.7	49.8	54.7	51.2	53.6	61.0	66.8	71.9	62.0	52.5	69.7	62.1	-10.9		
Present Situation	36.7	39.6	30.1	32.2	22.4	23.9	29.7	22.4	28.5	32.5	35.7	29.8	30.3	37.3	31.9	-14.3		
Expectations	84.5	96.5	81.2	79.8	68.0	75.3	65.6	74.5	82.6	89.6	96.1	83.4	67.3	91.4	82.3	-10.0		
MOUNTAIN																		
Consumer Confidence Index	94.2	86.8	84.0	68.2	62.4	62.9	65.1	82.7	69.6	83.6	85.0	64.2	72.9	91.9	74.0	-19.5		
Present Situation	53.3	58.4	67.0	35.3	38.0	42.7	33.1	44.4	45.3	59.4	54.1	54.3	49.7	57.6	52.7	-8.5		
Expectations	121.5	105.8	95.3	90.2	78.7	76.4	86.5	108.2	85.8	99.7	105.6	70.8	88.4	114.8	88.3	-23.1		
PACIFIC																		
Consumer Confidence Index	87.2	81.2	74.0	62.9	53.9	54.0	49.8	60.0	66.3	67.0	68.4	57.5	53.0	89.1	59.6	-33.1		
Present Situation	72.9	62.6	53.8	39.4	31.4	23.0	23.0	20.1	27.1	35.1	36.1	31.3	24.8	74.6	30.7	-58.8		
Expectations	96.8	93.5	87.4	78.6	68.9	74.7	67.7	86.6	92.5	88.3	90.0	75.0	71.8	96.8	78.9	-20.1		

* Percent Change: Average of last three months shown as compared with same period year. Regional data are not adjusted for seasonal variation.

Unemployment and Consumer Assessment of Job Availability



"Percent of respondents reporting 'jobs hard to get,' Consumer Confidence Survey
NFO Research Inc.; The Conference Board; Bureau of Labor Statistics